THE GREEN LAW GROUP, LLP

1777 E. Los Angeles Avenue Simi Valley, CA 93065

Scott Thomas Green Stephen M. Sanders, P.C. Jamie N. Stein Jeff G. Coyner Mike Khalilpour Matthew T. Bechtel Telephone: (805) 306-1100 Facsimile: (805) 306-1300

www.TheGreenLawGroup.com

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<u>Via Certified Mail, Return Receipt Requested</u> <u>And Electronic Submission to LWDA https://dir.tfaforms.net/198</u>

Labor and Workforce Development Agency	David Zapolsky
Attn. PAGA Administrator	Attn. Trade License Compliance
1515 Clay Street, Ste. 801	Amazon.com Services, Inc.
Oakland, CA 94612	410 Terry Avenue N
(510) 286-1362	Seattle, WA 98109
Receipt No.: 92147969009997901625675826	Receipt No.: 92147969009997901625675833
David Zapolsky	Mark Andrew Haskins
SVP, General Counsel, and Secretary	Attn. Trade License Compliance
Amazon.com, Inc.	410 Terry Ave. N
410 Terry Avenue N	Seattle, WA 98109
Seattle, WA 98109	Receipt No.:92147969009997901625675857
Receipt No.:92147969009997901625675840	
Alain Monié	William B. Gordan
Ingram Micro Inc.	Kleiner Perkins Caufield & Byers
1600 E. St. Andrew Place,	2750 Sand Hill Road
Santa Ana, CA 92705	Menlo Park, CA 94025
Receipt No.:92147969009997901625675871	Receipt No.:92147969009997901625675888
John Seely Brown	
1110 Waverley Street	
Palo Alto, CA 94301	
Receipt No.:92147969009997901625675901	

Re: NOTICE PURSUANT TO LABOR CODE SECTIONS 2698 et seq.

To Whom It May Concern:

PLEASE TAKE NOTICE that Eric Spencer, on behalf of himself and all others similarly situated, gives NOTICE of his intent to commence a civil action pursuant to Labor Code sections 2698 *et seq*. Mr. Spencer hereby serves this notice by online filing with the Labor and Workforce Development Agency, and by certified mail to respondents Amazon.com, Amazon.com Services, Inc., Mark Andrew Haskins, John Seely Brown, William B. Gordan, and Alain Monié (collectively "Amazon").

Enclosed with this letter is a statement of facts, the contents of which are hereby

incorporated by reference as though fully set forth herein, setting forth the facts, theories, and specific provisions of the Labor Code that Mr. Spencer alleges were violated by Amazon and its managing agents. Pursuant to California Labor Code § 2699, Mr. Spencer intends to file a complaint against Amazon in Ventura County Superior Court on behalf of himself and all similarly situated misclassified employees, who worked for Amazon in California within four years prior to the filing of the complaint ("Aggrieved Employees").

Please advise us by certified mail within sixty days of the post mark on this letter if the LWDA intends to investigate these claims. Should you have any questions, please do not hesitate to contact me directly.

Very truly yours,

THE GREEN LAW GROUP, LLP

Matthew T. Bechtel

Attachment: Statement of Facts and Theories

STATEMENT OF FACTS

- Respondents AMAZON.COM, AMAZON.COM SERVICES, INC., MARK ANDREW HASKINS, JOHN SEELY BROWN, WILLIAM B. GORDAN, and ALAIN MONIÉ (collectively "Respondents" or "AMAZON") are an e-commerce retailer that sells a broad range of goods through the website "Amazon.com," and through applications installed on various hardware devices, including smart phones, tablets, and a voice-activated assistant known as the Amazon Echo. AMAZON also sells various home improvement services ("Home Services") marketed as "Amazon Home Services," "expert assembly," "expert installation," or similar descriptors.
- 2. California law requires that certain assembly, installation, and home improvement services whose total cost (labor and materials) exceeds \$500.00 be performed by a contractor licensed by the Contractors' State License Board ("CSLB") for the type of work being performed. California law further requires that certain work, such as electrical work, only be performed by employees of contractors who have received certain safety training.
- 3. The CSLB issues three types of licenses: (A) a General Engineering Contractor license; (B) a General Building Contractor license; and (C) Specialty Contractor licenses covering 60 trades. A General Engineering Contractor and a General Building Contractor may subcontract work to a Specialty Contractor if the subcontracted work is within the scope of the subcontractor's license. A Specialty Contractor cannot act as a General Engineering Contractor or a General Building Contractor, and can only subcontract work to other Specialty Contractors within its own trade.
- 4. On or about May 29, 2018, Amazon.com Services, Inc. was issued a C-10 (Electrical) license by the CSLB. AMAZON is not licensed as a General Engineering Contractor, General Building Contractor, or any other Specialty Contractor.
- 5. Every licensed contractor in California must have a qualifying individual, or "qualifier," who is listed in CSLB's personnel of record, and has demonstrated his knowledge and experience for the license sought. The qualifier must exercise direct supervision and control of his employer's construction operations as is necessary to secure full compliance with California licensing law. HASKINS is the qualifier for the C-10 license issued to Amazon.com Services, Inc.
- 6. AMAZON employed ERIC SPENCER and other persons ("Aggrieved Employees") to perform Home Services at customers' residences and businesses, including Home Services that were required to be performed by a contractor licensed by the CSLB. These Home Services include, but are not limited to, electrical and plumbing work; assembly and installation of structures requiring building permits, building plans approved by the local departments of Building and Safety, compliance with local and state building codes and industry standards, including foundation anchoring; and the installation of mounts and

brackets to comply with earthquake safety requirements. This work was within Respondents' usual course of business.

- SPENCER and other Aggrieved Employees were not customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed when they were hired by Respondents. SPENCER and other Aggrieved Employees performed the work at the control of Respondents. The value of the Home Services performed was often over \$500.00, fell within the statutory definition of work requiring a contractors' license issued by the CSLB and was part of Respondents' usual course of business.
- 8. SPENCER and Aggrieved Employees also performed other labor for Respondents at the residences and businesses of Respondents' customers, including but not limited to, removal of old appliances and mattresses and assembling furniture. These Home Services typically do not require a CSLB license, but are part of Respondents' usual course of business.
- Respondents knowingly and intentionally misclassified SPENCER and Aggrieved Employees as independent contractors. Under California law including Labor Code section 2750.5, there is a presumption that any person who performs services that require a CSLB license for another person or entity is an employee of that person or entity. Unlicensed subcontractors are deemed to be the employees of the person or company retaining them. Such misclassification was a pattern and practice implemented by Respondents to avoid California wage and hour laws. The misclassification resulted in SPENCER and Aggrieved Employees: (1) not being paid wages for all hours worked; (2) not being paid minimum wage; (3) not being paid overtime for work in excess of 8 hours a day or 40 hours a week; (4) not being permitted to take rest and meal periods, or had their rest and meal periods shortened or provided to them late due to the scheduling and work load and time requirements placed upon them by Respondents; and (5) not being reimbursed for business expenses, including but not limited to mileage, tools, materials, cell phone, and internet.
- Respondents have also failed to maintain accurate itemized records reflecting total hours worked by SPENCER and Aggrieved Employees and have failed to provide employees with accurate, itemized wage statements reflecting total hours worked and appropriate rates of pay for those hours worked.
- 11. SPENCER is informed and believes, and based thereon alleges, that Respondents have failed to pay all wages owed to discharged or resigned employees in a timely manner.
- 12. SPENCER, on behalf of himself and all Aggrieved Employees, hereby provide notice of violations of Labor Code sections 201, 202, 203, 204, 226, 226.7, 510, 512, 1182, 1194, 2802, California Code of Regulations, Title 8, section 11040 et seq. and any other applicable Industrial Welfare Commission ("IWC") Wage Orders, and intend to bring an action seeking penalties for each violation of the Labor Code that Respondents committed against SPENCER and all Aggrieved Employees, and will seek unpaid wages and overtime

compensation, unpaid rest and meal period compensation, unreimbursed expenses, other equitable relief, and reasonable attorneys' fees and costs.

- 13. SPENCER is informed and believes, and thereon alleges, that Respondents currently employ, and during the relevant period have employed, hundreds of employees in California to perform Home Services. At all times pertinent and within the last year said employees have been non-exempt employees within the meaning of the California Labor Code, and the implementing rules and regulations of the IWC California Wage Orders.
- 14. During the relevant time frame, SPENCER and Aggrieved Employees were subjected to Respondents' policy and practice of requiring SPENCER and Aggrieved Employees to frequently log on to Respondents' website and check for new tasks available. Respondents' customers would purchase goods and services through Respondents' website, and Respondents would deliver the goods through its own or a third-party delivery service. SPENCER and Aggrieved Employees would use Respondents' website to schedule services sold by Respondents to their customers. SPENCER and Aggrieved Employees were required to communicate with Respondents' customers to schedule and prepare for performing the contracted services. SPENCER and Aggrieved Employees were also required to purchase any materials and special tools needed to complete the contracted service, transport materials and special tools to the Respondents' customers' residences and businesses, and use the materials and tools to perform the contracted services.
- 15. SPENCER and Aggrieved Employees were not compensated for all time worked, including but not limited to the time spent: (1) checking for work assignments; (2) scheduling services; (3) purchasing materials and tools; and (4) traveling to and from and between the service locations.
- 16. At all times relevant, SPENCER and Aggrieved Employees routinely worked in excess of eight (8) hours in a day and forty (40) hours in a week. SPENCER and Aggrieved Employees were often required by Respondents to complete tasks within a single day that could not be completed within 8 hours. Respondents did not pay SPENCER or Aggrieved Employees any overtime wages.
- 17. Due to the time spent traveling to multiple service locations, and the requirement to complete all tasks within a single day, SPENCER and Aggrieved Employees were frequently required to work in excess of five (5) hours without a thirty (30) minute meal period. SPENCER and Aggrieved Employees were also not provided with a second meal period when they worked in excess of ten (10) hours in a day. SPENCER and Aggrieved Employees did not execute an on-duty meal period agreement, nor were they compensated by Respondents for the missed meal periods.
- 18. Due to the time spent traveling to multiple service locations, and the requirement to complete all tasks within a single day, SPENCER and Aggrieved Employees were frequently denied a ten (10) minute rest period for every four hours or major fraction thereof. SPENCER and Aggrieved Employees were not provided a third ten (10) minute

rest break when they worked over ten hours in a day. Respondents did not provide any additional compensation when rest period were not provided.

- 19. At all relevant times, Respondents did not have a policy permitting SPENCER and other Aggrieved Employees to take meal or rest breaks, and never advised SPENCER or other Aggrieved Employees of their right to take meal and rest breaks.
- 20. Respondents did not reimburse SPENCER and other Aggrieved Employees for expenses incurred in carrying out Respondents' business, including but not limited to, mileage expenses for traveling, purchasing required materials and tools, and the cost of internet and telephone service.
- 21. Respondents would set the price for the goods and services sold to their customers, with a line item break-down of the cost for the goods and the cost for the services. If SPENCER or Aggrieved Employees completed a service, they would be credited for eighty percent of the amount consumers paid for the service. The remaining twenty percent was retained by Respondents. Respondents' would issue SPENCER and Aggrieved Employees a check for the balance of the funds remaining in the employees' online accounts at regular intervals. These piecemeal payments did not comply with the requirements of Labor Code § 226.2.
- 22. SPENCER is informed and believe, that Respondents willfully and intentionally failed to report SPENCER and other Aggrieved Employees' labor to its workers' compensation insurer. A contractor that fails to maintain workers' compensation insurance for its employees is unlicensed under California law.
- 23. At all times relevant hereto, SPENCER and Aggrieved Employees have been non-exempt employees within the meaning of the California Labor Code, and the implementing rules and regulations of the IWC California Wage Orders.

Failure to Pay Overtime

- 24. California law, including Industrial Welfare Commission Order No. 5-2001 (Wage Order No. 5) of the California Industrial Welfare Commission ("IWC") and the California Labor Code Sections 510, 1194, 1197, as well as Sections 200, et seq., 1174, and 1174.5 require Respondents to pay overtime compensation when due to all non-exempt employees for all hours worked over forty (40) per week, or over eight (8) per day.
- 25. At all times SPENCER and Aggrieved Employees regularly performed non-exempt work in excess of 50% of the time, and thus, were subject to the overtime requirements of the applicable IWC wage orders and the California Labor Code.
- 26. SPENCER and Aggrieved Employees are each a non-exempt employee and each is entitled to be paid proper compensation for all hours worked, including overtime hours worked.

- 27. Respondents did not compensate SPENCER and Aggrieved Employees for time worked, including but not limited to, compensation for all hours worked over forty (40) per week or over eight (8) per day in carrying out his duties as a Sales Leader.
- 28. As a direct and proximate result of Respondents' unlawful conduct, as set forth herein, SPENCER and Aggrieved Employees have sustained damages, including loss of earnings for overtime hours worked on behalf of Respondents.

Underpaid Wages

29. SPENCER and Aggrieved Employees also seek penalties under Labor Code section 558.

Failure to Pay Minimum Wage

30. By failing to compensate SPENCER and Aggrieved Employees for all hours worked, including time spent checking for and scheduling tasks, time spent traveling to and from service locations, and hours worked in excess of 40 per week, Respondents failed to pay minimum wage for each hour worked as required by Labor Code § 1194 and Cal. Code Regs. tit. 8, § 11040, and is subject to payment of the minimum wage for those hours and liquidated damages under Labor Code § 1194.2.

Failure to Reimburse Expenses

31. By failing to reimburse all expenses necessarily incurred by SPENCER and Aggrieved Employees in carrying out their job duties for Respondents, including mileage expenses for traveling to, from, and between service locations, expenses for special tools and materials, and telephone and internet costs, Respondents violated Labor Code § 2802. SPENCER and Aggrieved Employees seek penalties for each violation and reimbursement of the expenses necessarily incurred.

Failure to Pay Full Wages When Due

32. By failing to compensate SPENCER and Aggrieved Employees for all time worked, Respondents continued to violate Labor Code Section 204, which requires employers, including Respondents, to pay SPENCER and Aggrieved Employees their full wages when due. SPENCER and Aggrieved Employees also seek interest under Labor Code § 218.6.

Violation of California Record-Keeping Provisions

33. Respondents knowingly and intentionally failed to provide timely, accurate, itemized wage statements including, inter alia, hours worked, to SPENCER and Aggrieved Employees as required by Labor Code Section 226(a) and the IWC Wage Order No. 4. Such failure caused injury to SPENCER and Aggrieved Employees, by, among other things, impeding them from knowing the amount of wages to which they were entitled. At all times relevant herein, Respondents have failed to maintain records of hours worked by SPENCER and Aggrieved Employees as required under Labor Code Section 1174(d).

Failure to Provide Meal & Rest Periods

34. At all relevant times, SPENCER and Aggrieved Employees were compelled to work longer than eight (8) hours in a day and more than forty (40) hours in a week, were not relieved

of duties, and was thereby deprived of rest and meal breaks, in violation of California Labor Code Section 226.7.

- 35. SPENCER and Aggrieved Employees are not an "exempt" employee under the California Labor Code or Wage Order No. 4.
- 36. Respondents knew they assigned duties which precluded California-compliant meal and rest periods; and should have known that SPENCER and Aggrieved Employees were carrying out such duties and working without lunch and rest breaks and were not compensated for his time. Respondents' failure to compensate SPENCER and Aggrieved Employees for rest and lunch breaks was systematic, willful, knowing and intentional.
- 37. SPENCER and Aggrieved Employees have been damaged by Respondents' intentional and knowing refusal to compensate them for work performed during their rest and lunch breaks and seeks penalties for all missed breaks.

Failure to Provide Sick Leave

38. At all relevant times, SPENCER and Aggrieved Employees who had worked for Respondents for more than 90 days in California were entitled to paid sick leave under California Labor Code 246 et. Seq. Due to Respondents' refusal to honor requests to take paid sick leave, certain Aggrieved Employees were deprived of pay for accrued but unused sick leave, and denied the right to take paid sick leave for their own and their immediate family members', including for their children's, medical conditions and disabilities, in violation of California Labor Code Section 246 et. Seq, resulting in Respondents' liability under California Labor Code section 248.5 for lost wages and administrative penalties.

Willful Employment of Uncertified Electricians

- 39. SPENCER and Aggrieved Employees performed electrical work under AMAZON's C-10 electrical license issued by the CSLB. SPENCER and Aggrieved Employees were not certified as electricians pursuant to Labor Code § 108. Nevertheless, Respondents willfully employed SPENCER and Aggrieved Employees to perform electrical work in violation of Labor Code § 108.2.
- 40. SPENCER and Aggrieved Employees seek penalties for each violation of Labor Code \$108.2.

///Nothing Follows///